

**REPORT OF THE
TASK FORCE TO STUDY
THE TAYLORSVILLE LAKE PROJECT**

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MEMORANDUM

TO: Vic Hellard, Jr., Director
Legislative Research Commission

FROM: *ACA* Alice Carter Downey, Committee Staff Administrator
Special Task Force to Study the Taylorsville Lake
Project

SUBJECT: Final Report of the Task Force

DATE: January 7, 1986

During the 1983 Organizational Session of the General Assembly, the House adopted House Resolution 8, directing that a task force be established to study the development of the Taylorsville Lake State Park project. The Task Force was reconstituted on September 4, 1985.

This memorandum is a presentation of the findings of the task force and recommendations for the 1986 Kentucky General Assembly.

Background Information

The Taylorsville Lake State Park project was approved by Congress on November 7, 1966, and was developed under the requirements of Public Law 89-72 (Federal Water Project Recreation Act). This law provides for the leasing of a major portion of the project lands and waters to Kentucky for the establishment of a state park to be operated and maintained by the Kentucky Department of Parks; other portions of this leased land will be managed by the Kentucky Department of Fish and Wildlife Resources. The purpose of the Taylorsville Lake project is to provide flood control, low-flow augmentation, outdoor recreational opportunities, and fish and wildlife preservation and enhancement. The project consists of about 15,400 acres in the Salt River Basin in north central Kentucky, and is located four miles northeast of Taylorsville, the seat of Spencer County. The lake encompasses approximately 3,050 water surface acres at seasonal pool elevation of 547 feet above mean sea level and lies in portions of Anderson, Nelson and Spencer counties. Eleven counties constitute the project's principal area of influence. ~~The two counties most affected by the project are Anderson and Spencer, which had a total 1970 population of about one million persons.~~

Because of the proximity of this project to the Louisville and Lexington Standard Metropolitan Statistical Areas, the Corps of Engineers initially projected 2.5 million annual visitors for this project, with an ultimate annual visitation of 4.3 million. Because of public concern voiced between 1973 and 1974 about the recreation land acquisition program, the recreation land requirements for the project were scaled down by 40%, and the initial and ultimate annual visitation projections were revised to 1.4 million and 2.5 million, respectively.

Under the provisions of P. L. 89-72, Corps financial participation on recreation projects included as part of Corps flood control projects is contingent on 50-50 cost sharing by a non-federal public entity. The original cost sharing contract between the Corps of Engineers and the Commonwealth was signed by Governor Wendell Ford in April, 1973. The recreation master plan was begun in late 1973, and was approved finally in 1979.

In 1976, a lawsuit was filed in U. S. District Court for the Western District of Kentucky by landowners against the Corps of Engineers. Work on this project was stopped twice as a result of this suit. The second time, the U. S. District Court prohibited the Corps of Engineers from constructing and acquiring land under the 1973 cost sharing agreement with the state, because that agreement was found to be invalid and in violation of Sections 49 and 50 of the Constitution of Kentucky. As a result of the court's rulings in Parkie Gividen, et al. v. Corps of Engineers of the United States Army, et al. (1980), the state could no longer enter into a cost sharing agreement with the Corps which committed future legislatures to appropriate funds to pay for costs currently incurred by the Corps in the development of recreation facilities at Corps' lakes. State government, therefore, was forced into a "pay-as-you-go" situation regarding Taylorsville Lake if the project was to proceed.

A new cost sharing agreement was signed by Governor Brown on June 19, 1980. This contract is between the Water Resources Authority of Kentucky (this Authority was created in the mid 1960s to be a bonding authority. The Authority has never issued bonds, but during the Brown Administration, the Authority was activated to channel money into the Taylorsville Lake project) for and on behalf of the Commonwealth of Kentucky, and the Corps of Engineers, for and on behalf of the United States of America. Under the terms of this agreement the state must pay its share of the cost of each constructional phase, rather than pay its share by installments over a fifty-year period. Therefore, this final contract does not obligate the state legally to future expenditures.

The estimated total cost of construction (at October, 1983, price levels) for the initial recreation facilities and specific use lands is \$30,050,000. The state's share is \$15,025,000. To date, the Commonwealth has paid \$1,771,838 of the construction costs of boat ramps, parking area and access roads at the two major recreation sites (Possum Ridge and Settlers Trace), and at three fisherman access sites (Chowning Lane, Ashes Creek and Van Buren). The Commonwealth has contributed four payments toward recreational development at Taylorsville Lake, which include the following:

First payment: (6-11-81) \$643,000.

Purpose: To construct Settlers Trace ramp, parking area, access road, and vault toilets and to pay for 15 acres of specific use lands and joint use storage apportionment through April 1, 1980.

Second payment: (9-24-82) \$312,000.

Purpose: Engineering design costs and certain real estate costs at Van Buren, Chowning Lane, Ashes Creek, Possum Ridge and additional joint use storage apportionment through February, 1982. The state later authorized the use of \$100,000 of the above \$312,000 to place underwater fill at Van Buren, Possum Ridge and Ashes Creek prior to impoundment, as this would reduce overall construction costs.

Third payment: (2-2-83) \$88,000.

Purpose: To complete construction at the Van Buren site.

Fourth payment: (5-17-83) \$728,838.

Purpose: To complete construction at Ashes Creek, Possum Ridge and Chowning Lane ramps.

Due to the district court's ruling in Parkie Gividen, securing sufficient funding has become a major issue regarding this project. In an effort to generate additional revenue resources, private investors have been encouraged to construct and manage recreation facilities at Taylorsville Lake State Park.

The Special Task Force to Study the Taylorsville Lake Project was created by the Legislative Research Commission pursuant to House Resolution 8, which was passed during the 1983 Organizational Session of the Kentucky General Assembly. During 1982-83 the task force addressed the problems of insufficient funding for recreational improvements, such as campground and picnicking facilities, hiking trails, utilities and upgrading of access roads around the lake. These issues resulted in the following legislation passed during the 1984 General Assembly:

- HJR 3: prohibiting the Commerce Cabinet from imposing boat launching ramp fees.
- HJR 4: prohibiting the Natural Resources and Environmental Protection Cabinet from issuing discharge permits which allow effluent discharges directly into Taylorsville Lake.
- HJR 10: Directing the Secretary of the Department of Transportation to conduct a study and develop cost estimates of proposed highway improvements around the lake.

The task force was reconstituted on September 4, 1985, with the purpose of 1) monitoring all aspects of public and private development at the lake; 2) requesting status reports on the development from federal and state agencies involved; 3) monitoring the Corps of Engineers activities in the lake's development; 4) examining the need for state appropriations to support the lake's development; and 5) assisting in the development of plans and recommendations for the lake's development. Since the reconstitution of the task force, four meetings have been held (including a public hearing in Taylorsville) and the task force has heard testimony from the Natural Resources and Environmental Protection Cabinet pertaining to the compliance of the provisions of House Resolution No. 4; received the Taylorsville Lake Transportation Study, which was submitted by the Transportation Cabinet in compliance with House Joint Resolution No. 10; and obtained detailed status reports from the Department of Parks and the Department for Fish and Wildlife Resources. The task force has also heard testimony from the U. S. Army Corps of Engineers in reference to implementing plans for recreational development at Taylorsville Lake.

Review of Developmental Activities

Taylorsville Lake State Park is an Army Corps of Engineers project with flood control features of the dam being the principal role of the Corps; the Corps also assumes a "caretakers" responsibility over the lands. A small area of land (approximately 138.09 acres) is currently under lease at the lake by the Kentucky Department of Parks. A larger parcel (14,000 acres, including 3,000 water acres) is licensed to the Kentucky Department of Fish and Wildlife Resources with the understanding that the leasing of land beyond that

originally designated for wildlife is a temporary situation, allowable only because the land is not currently being used otherwise. The Corps is responsible for minimal surveillance over flood control, with Fish and Wildlife conservation officers and park rangers overseeing a greater part of the area. The Natural Resources and Environmental Protection Cabinet is responsible for water quality standards of the lake and for patrolling the area with one water patrol officer permanently assigned, but with the potential of three officers as needed. The Kentucky Transportation Cabinet's responsibility lies in current and future highway improvements around the lake and erecting directional signs for public awareness of the area.

Kentucky Department of Parks

The Department of Parks presented a status report to the task force on September 25, 1985. The following is a description of property currently under lease from the Corps of Engineers:

68.37 acres	Settlers Trace
59.22 acres	Chowning Lane
10.50 acres	Van Buren

138.09 acres (total)

Settlers Trace development consists of a six lane launching ramp, parking for 199 cars and trailers, and approximately 186 marina slips. The marina is subleased to Smith Brothers, who own, operate and maintain the total area. The Department of Parks receives a percentage of receipts.

Chowning Lane has a three lane ramp and parking for 97 car and trailer units. The state will soon be asking for proposals from the private sector for a marina comparable to the existing one at Settlers Trace. It is anticipated to be operable the summer of 1986.

Van Buren consists of 10.5 acres, has a three (3) lane launching ramp and a 75 car and trailer parking area. This area is also scheduled to be leased to a third party to design, build, operate and maintain a smaller marina operation consisting of approximately 30 slips, fuel, bait, tackle and some rentals to serve those people coming from the east. This is also anticipated to become operable by summer, 1986.

The Department of Parks has emphasized the importance of utilities to serve the Settlers Trace and Possum Ridge sites, realizing that without water, sewers and electricity, no significant development can take place around the area. The installment of utilities will offer an opportunity to private investors for recreational development, such as campground and picnic areas and other marina facilities. Therefore, the Department's biennium budget requests include \$500,000 for 1986-87, to be used for the engineering and

basic design of utilities, and \$2,500,000 for 1987-88, for construction of the utility systems, which will have to be matched in equal amounts for the same purposes by the U. S. Corps of Engineers. This \$5,000,000 cost estimate was taken from the Corps of Engineers Master Plan. The Department of Parks consulted with the Corps of Engineers and found that the price for construction has increased approximately 145% since 1979. Therefore, a 1.45 factor has been used to adjust the costs to today's dollars for the Settlers Trace project. Cost estimates for Possum Ridge, however, have been refined by the Corps of Engineers, and the figures shown reflect those presented to the task force on December 19, 1985. The following utilities tabulation constitutes the Department's cost estimate for water, sewage, and electricity for the Possum Ridge and Settlers Trace sites:

Utilities Tabulation

Settlers Trace

Sewage Treatment Plant	\$1,500,000
Effluent Line	156,000
Sewage Line - Forced	115,000
Sewage Line - Gravity	13,000
Sewage Lift Stations	190,000
	<u>1,974,000</u>
Water Supply	169,000
Water Tower	150,000
	<u>319,000</u>
	2,293,000
Total Sewer and Water x 1.45 =	\$3,324,850
Electrical Distribution 116,100 x 1.45 =	168,345

Possum Ridge

Water Line - 14,400 lf. to Ky. 248 (8") (20.00)	288,000
Sewer - 7 lift stations (25,000)	175,000
7 manholes (2000)	14,000
3,000 lf. submarine crossing 6" fm (26.00)	78,000
15,000 lf. force main (4") (8.00)	120,000
1,200 lf. 8" Sant Sewer (15.00)	18,000
Sewage Treatment Plan	260,000
Electrical Distribution	397,500
	<u>1,350,500</u>
Contingencies 20%	270,100
Construction Cost	1,620,600
E & D and S & A 20%	324,120
	<u>1,944,720</u>

Total Sewer, Water, Electric (Possum Ridge)	\$1,944,720
" " " " (Settlers Trace)	\$3,493,195
" " " " (BOTH SITES)	\$5,437,915

Additional cost estimates for the Possum Ridge sites are as follows:

Land use	375,000
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100 Camp Sites	306,000
Site Work	248,500
2 wash buildings	244,700
Road, upgrade and repair, 3,000 lf.	183,000
Road C, 500 lf.	36,750
Road D, 2,500 lf.	153,125
	<u>1,172,075</u>

Contingencies 20%	234,415
Construction Cost	1,406,490
E & D and S & A 20%	281,298
	<u>1,687,788</u>

Access to Boat Ramp	
Road, upgrade and repair, 3,000 lf.	183,000
Parking, bituminous, 23,840 S.Y.	729,500
Site work	497,000
	<u>1,409,500</u>

Contingencies 20%	281,900
Construction Cost	1,691,400
E & D and S & A 20%	338,280
	<u>2,029,680</u>

Kentucky Department of Fish and Wildlife Resources

The Department of Fish and Wildlife Resources presented a Fish Management Plan and Wildlife Narrative Statement on September 23, 1985. The department has a 25-year license with the Corps of Engineers, which presently includes 14,000 acres of property (3,000 water acres). As previously explained, a greater portion of this leasing is temporary. According to the Master Plan, approximately 180 acres has been acquired specifically for fish and wildlife management, forming a corridor from the tailwater extending 500 feet from either side of Salt River downstream to the junction of Brashears Creek and Salt River, a distance of 3.7 miles.

Following impoundment of the lake, the fish stocking program of large mouth bass, bluegill and channel catfish began in November, 1982, and was

completed in June, 1983. The dam structure allows Fisheries to select tailwater temperature objectives for cold, cool or warm water species. The warm water species chosen was similar to what was in the river prior to impoundment of the lake; this approach will continue. Fisheries has worked closely with the Corps of Engineers in formulating a lake zoning and clearing plan, and on the construction and placement of brush fish attractors. Following impoundment, each brush attractor was identified with a buoy so that they would be easily sighted by anglers. An experimental 15-inch size limit has been imposed on the black bass population in the lake.

The objectives for the Taylorsville Lake Wildlife Management properties are that they be managed for perpetuation of wildlife habitats, the preservation and improvements of public hunting opportunity, and the restoration of major nature game species in that part of the Commonwealth. Over the next five years, (July 1, 1985, through June 30, 1990) the department's work plan includes basic road maintenance, maintaining boundaries so that the area is identifiable to those persons desiring to use it, purchasing of agricultural equipment, and the construction of a small storage building for agricultural equipment. The total amount budgeted for this five-year plan is \$90,000.

Kentucky Transportation Cabinet

In compliance with House Resolution No. 10 enacted by the 1984 General Assembly, the Transportation Cabinet submitted to the task force the Taylorsville Lake Transportation Study on September 18, 1985. The study includes proposed recreational developments, existing area highway facilities, anticipated visitation patterns, traffic, and area access highway needs.

According to the study, the Transportation Cabinet recommends the following highway projects (in approximate order of priority), as ultimately needed to accommodate the combined local and recreational traffic into and around the Taylorsville Lake State Park recreational areas:

1. Possum Ridge Access Roads - Construct roads into the boat ramp and to camping areas. (PRIORITY) Cost: \$2,000,000
2. Ashes Creek Access Roads - Reconstruct access road from Kentucky 1066 to about one mile north and provide connector from primary access road down to the boat ramp. (PRIORITY) Cost: \$1,200,000
3. *Signs - Erect adequate signs in the immediate area of the primary recreational areas, as well as on the major routes leading into the lake area. (PRIORITY) Cost: \$50,000
4. KY 1066 - Highview Church Road - Reconstruct from Houglin Road to Van Buren Road. (PRIORITY) Cost: \$2,000,000

5. KY 55 - Reconstruct from Taylorsville to Bloomfield. Cost: \$9,475,000
6. KY 44 - Reconstruct from Mount Washington to Taylorsville. Cost: \$760,000
7. KY 248 - Reconstruct from US 62 to Tanner Road. Cost: \$9,545,000
8. KY 248 - Construct from US 62 to Bluegrass Parkway. Cost: \$3,560,000
9. Highview Church Road - Construct from Van Buren Road to Tanner Road. Cost: \$930,000
10. Tanner Road - Reconstruct from Watts Run Road to KY 248. Cost: \$750,000.
11. KY 1579 - Reconstruct from KY 44 - KY 53 to KY 248. Cost: \$1,460,000
12. KY 44 Northwest Connector - Construct from KY 1251 to KY 155. Cost: \$1,230,000
13. KY 55 West Connector - Construct from KY 44 to KY 2239. Cost: \$3, 590,000

*Installation for the signing project (Priority #3) will begin within the next few months for the following proposed locations:

Large "Interstate" Size

Interstate 64 at KY 55 (Shelbyville)
Interstate 65 at KY 44 (Shepherdsville)
Bluegrass Parkway at KY 55 (Bloomfield)

Smaller Signs

Jefferson Freeway at KY 155 (near Fisherville)
KY 155 at KY 148 (Fisherville)
KY 55 at KY 155 (Elk Creek)
KY 55 at KY 44 (2 locations in Taylorsville)
KY 55 at KY 48 (Bloomfield)
KY 44 at US 31E (Mt. Washington)

The signs will have white lettering on a brown background, denoting a park, stating "TAYLORSVILLE LAKE STATE PARK."

Although the Transportation Cabinet recommended in the Study that projects one through four, totaling \$5,250,000, should be implemented immediately, it is yet to be decided whether the remaining three priority items in the Taylorsville Lake request will be included in the Transportation Cabinet's six-year plan. It was stressed to the Transportation Cabinet that the task

force is not asking for long-range project plans, but an indication of what can and will be done for the immediate future.

Kentucky Natural Resources and Environmental Protection Cabinet

In compliance with House Resolution No. 4 enacted by the 1984 General Assembly, the Natural Resources and Environmental Protection Cabinet has issued no permits for wastewater discharge directly into Taylorsville Lake as determined by its highest pool elevation. When applications have been submitted for discharges in the watershed above the lake, the Cabinet has scientifically evaluated the application to ensure that no discharges would allow inadequately treated wastewater to enter any tributary waters. The Cabinet has also attempted to minimize the adverse impact of non-point source pollution on lake quality, through the development and promotion of management practices for construction activities, agriculture and silviculture (forests). The Cabinet has increased its efforts in solid waste management in the watershed. Additional permitting and enforcement staff has been provided by the Division of Waste Management for activities within this geographic area. There have also been modifications in the Division's policies and regulations which will assist in preventing adverse lake impacts pertaining to facilities or activities under the Cabinet's control.

RECOMMENDATIONS

At the public hearing held in Taylorsville on October 29, 1985, concerned citizens, property owners and potential investors in the Taylorsville Lake State Park area emphasized the need for directional signs, construction and upgrading of roads, and for utilities at picnic and campground areas. The participants emphasized that in order to provide safer conditions for the public and fish and wildlife protection, intensive enforcement by water patrol officers, conservation officers and park rangers should be maintained.

In response to the these concerns, the task force recommends the following:

1. \$2.5 million in capital improvements should be included in the 1986-88 biennium budget for construction of utilities at Taylorsville Lake.
2. Adequate waste disposal should be provided for recreational areas.
3. Better enforced security patrol should be made available at Taylorsville Lake.

